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IOWA DEPARTMENT OF NATURAL RESOURCES

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For immediate release

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SECOND DNR PROCESS IMPROVEMENT EVENT A SUCCESS *WASTEWATER PERMITTING PROCESS REVAMPED*

DES MOINES – The week of March 8-12, the DNR conducted an intensive weeklong review of its wastewater permitting process to increase efficiency and reduce down time. The DNR hopes to decrease the time it takes to process a wastewater permit by 84 percent.

“The environment remains our priority,” said DNR Director Jeff Vonk. “We are proving that economic development can be achieved with environmental integrity.”

The Clean Water State Revolving Fund (SRF), maintained by the DNR and the Iowa Finance Authority, provides low interest loans to cities to preserve and enhance the water quality of the state through wastewater treatment. The complexity of the SRF permitting process made it an excellent candidate for process improvement. The effort is part of an overall emphasis by Iowa state government to reinvent how it conducts business to save money and time while improving customer service.

Through the process improvement event, the DNR hopes to reduce the time from facility plan submittal to approval from 28 months to 4.5 months. A construction permit will be issued within 30 days after receiving final plans and specifications, and 100 percent of projects will meet the projected schedule for completion.

The process improvement effort also reduced the number of review steps by nearly 50 percent – from 235 steps to 112 steps. The number of handoffs in the process – when the permit moves from person to person – decreased from 43 to 19.

The DNR's Air Quality Bureau held a similar event last June to streamline the air permitting process. With a goal of improving by 25 percent, the air permitting team actually decreased permitting time by more than 87 percent – from 62 days to 7.91. The agency also reduced its backlog of 600 permits down to just 50 from two companies.

The improvement process focused on eliminating delays without reducing actual time state engineers spend reviewing permits and helping clients.

“Our permitting team has never backed down from its commitment to streamline processes, and these numbers reflect our success,” said Vonk. “We are demonstrating that business principles are an effective means for improving government.”

One of the reasons the business process improvement events are successful is because they involve customers in the process.

“By streamlining the SRF process, we will be able to get loan approval and projects through the system a lot quicker,” said Mike Hall, civil engineer with the City of Des Moines. “It was important to have customers involved because it created an awareness of the customers’ needs. It’s difficult to change a process if you don’t know what the customers want.”

The DNR received funding and leadership from the Public Strategies Group. The process improvement techniques used by the agency are often applied by successful business and industries to dramatically increase efficiency. Pella Corporation undertakes multiple process improvement events each week.

“Business process improvement is a tool many Iowa businesses have been using for years to eliminate waste,” said Karin Peterson, vice president of human resources at Pella Corp. “Streamlining processes is a win for government, business and taxpayers.”

As part of its commitment to improved efficiency, the DNR will revamp its solid waste permitting process for landfills this summer.

For more information, contact Wayne Farrand at (515) 281-8877 or Wayne.Farrand@dnr.state.ia.us.

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CRUDE OIL AND GASOLINE PRICES REMAIN HIGH

DES MOINES — According to the Iowa DNR's March 15, 2004 fuel price survey, gasoline prices are at \$0.09 higher than one month ago, averaging \$1.66 for a gallon of self-serve, regular unleaded gasoline. The sustained high prices are due to a number of factors, including a strengthening economy (which supports increased demand for

gasoline), high crude oil prices and fears of future short supply in the spring and summer (due to new lower sulfur gasoline requirements).

“The only certainty with gasoline prices is that they will continue to be volatile,” said Jennifer Moehlmann, DNR energy analyst. “While there may be some short-term price drops, based on wholesale trading activity, it is more likely that prices will continue to rise as we get closer to the summer driving season.”

According to the March 15 survey, prices across the state ranged from \$1.55 to \$1.82 per gallon and are \$0.01 higher than this time last year. Last year’s high prices resulted in part from low inventories and fears about a near-term war in Iraq. Currently, retail conventional unleaded gasoline prices in Iowa are \$0.02 lower than the national average of \$1.68 per gallon and \$0.02 higher than the regional average of \$1.64 per gallon.

The average price for regular unleaded gasoline blended with ethanol was \$1.65 per gallon. Ethanol-blended gasoline currently represents 60.2 percent of the market share.

Crude oil finished trading on March 17 at \$38.18 per barrel, \$3.74 more than last month. One year ago, crude was \$29.88 per barrel. Crude oil prices have remained high because of trader concerns regarding levels of supply, potential production cuts by OPEC members, and strong global demand for oil and reports of political unrest in Venezuela and other oil-supplying nations. National crude oil inventory is at 281.1 million barrels, 4 percent higher than the previous year, but below the normal range. The DNR expects crude oil prices to remain volatile while U.S. inventories are relatively low, with prices ranging between \$34 and \$37 per barrel.

The average price of self-serve diesel fuel on March 15 was \$1.62, up \$0.04 from last month and \$0.04 higher than the regional average of \$1.58 per gallon. Diesel fuel was \$1.74 per gallon one year ago.

Propane

The March 15 survey found the average retail price of propane was \$1.06 per gallon. This is \$0.03 lower than the previous month and 3 percent below the retail price of propane at this time last year (\$1.09 per gallon). The Iowa average retail propane price is \$0.25 below the regional average of \$1.31. Midwest propane inventories are nearly 81 percent higher than last year at this time and are within the five-year average.

Heating Oil Prices

The March 15 survey found the average retail price of No. 2 heating oil was \$1.24 per gallon. This is \$0.04 higher than last month and 5 percent below the price of heating oil at this time last year (\$1.31 per gallon). The Iowa average retail heating oil price is \$0.13 below the regional average of \$1.37. Midwest heating oil inventories are 3 percent higher than this time last year and are within the five-year average.

Natural Gas

Natural gas closed at \$5.51 per million Btu on March 15, \$0.11 higher than last month and 4 percent higher than one year ago. Although the winter season is ending with higher

natural gas inventory levels than last year, the DNR expects natural gas prices to remain volatile and trade in the same general direction as crude oil prices.

MOTOR FUELS SURVEY

Self-Serve	February 15	March 15	Change
Regular Unleaded	1.57	1.66	+0.09
Regular Unleaded with Ethanol	1.55	1.65	+0.10
Premium Unleaded	1.67	1.77	+0.10
Diesel	1.58	1.62	+0.04
Full-Serve	February 15	March 15	Change
Regular Unleaded	1.70	1.81	+0.11
Regular Unleaded with Ethanol	1.70	1.77	+0.07
Premium Unleaded	1.82	1.96	+0.14
Diesel	1.64	1.69	+0.05

HEATING FUELS SURVEY

	February 16	March 15	Change
Propane	1.09	1.06	-0.03
#2 Heating Oil	1.20	1.24	+0.04
Natural Gas	5.40	5.51	+0.11

AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES

	February 15	March 15	Change
Ames	1.52	1.71	+0.19
Cedar Rapids	1.60	1.58	-0.02
Council Bluffs	1.48	1.64	+0.16
Davenport	1.51	1.60	+0.09
Des Moines	1.59	1.70	+0.11
Dubuque	1.63	1.65	+0.02
Fort Dodge	1.57	1.70	+0.13
Iowa City	1.57	1.69	+0.12
Sioux City	1.53	1.62	+0.09
Waterloo	1.54	1.61	+0.07
Webster City	1.65	1.75	+0.10
Average Metro Price	1.56	1.65	+0.09

AVERAGE SELF-SERVE UNLEADED PRICES IN RURAL IOWA

	February 15	March 15	Change
Northeast	1.56	1.64	+0.08
Northwest	1.58	1.68	+0.10
Southeast	1.55	1.62	+0.07
Southwest	1.56	1.67	+0.11
Rural Area Average	1.56	1.65	+0.09

WHOLESALE PRICES IN METROPOLITAN AREAS AROUND IOWA

Unleaded (cents per gallon)	February 5	March 11	Change
Des Moines	106.29	114.53	+8.24
Dubuque	107.14	115.44	+8.3
Diesel Fuel (cents per gallon)	February 5	March 11	Change

Des Moines	94.56	101.64	+7.08
Dubuque	94.89	102.91	+8.02

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WINTERSET WATER QUALITY MEETING SCHEDULED FOR MARCH 25

DES MOINES — A meeting to discuss plans for improving water quality at Cedar Lake near Winterset will be held at 7 p.m. March 25 in the Winterset High School auditorium.

“Everyone who is interested in the water quality of Cedar Lake is encouraged to attend the public meeting,” said Chris Van Gorp, a member of the TMDL and Water Quality Assessment section of the DNR. “We are interested in hearing the various points of view regarding the water quality of Cedar Lake.”

Cedar Lake has violated the water quality standards that protect it as a drinking water source. Levels of nitrate in the lake have exceeded the standard of 10 mg/L.

TMDLs — or Total Maximum Daily Loads — is the name of the process used to address waters considered to be impaired. Simply put, TMDLs are calculations used to determine how much of a pollutant a water body can receive and still maintain its designated use, such as supporting aquatic life, allowing body contact such as swimming or being used as a drinking water supply.

Much of the focus at the upcoming meeting will be on what data has been collected on Cedar Lake to document the problem and what steps are being taken to develop a plan to address the impairment.

“The good news is that we have the knowledge and expertise to address many of the problems associated with non-point source pollution and that there are governmental programs available to provide some financial assistance to private landowners interested in doing things to improve water quality,” Van Gorp said.

Additional information on the TMDL program is available on the DNR’s Web site at: <http://www.iowadnr.com/water/tmdlwqa/index.html>.

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